

Donor Advised Fund Agreement

American Innovative Products, Inc., a corporation organized and existing under the laws of the State of Texas (“Donor”), hereby transfers to **Manufacturing Advocacy & Growth Network Inc.**, a corporation organized and existing under the laws of the State of Ohio (“MAGNET”), the gift described below. This is an irrevocable gift to establish a Donor Advised Fund. The following terms and conditions shall apply:

SECTION 1: Transfer; Name of Fund

This document covers an irrevocable transfer of the property described below by Donor to MAGNET. MAGNET is an Ohio public benefit corporation recognized for federal tax purposes as an exempt organization under Section 501(c)(3) Internal Revenue Code of 1986.

The gift and any additions to it and all its increments, proceeds, investments, and reinvestments shall comprise a new fund of MAGNET named as follows:

Name of Fund: The Siphon Flush™ / MAGNET Sustainable Product Innovation Fund (the “Fund”)

SECTION 2: Grants from the Fund

Donor’s intent regarding grants from the Fund is to encourage sustainable product innovation and to this end MAGNET intends to, and will make a good faith effort to grant money to companies or individuals with a preference for assisting companies or individuals with sustainable product ideas. MAGNET intends to review and award grant considerations on a rolling basis and limit grant awards to no more than a half (1/2) of the funds in the Fund to any one company or individual. Also, when awarding a grant, MAGNET intends to negotiate with the grant recipient a royalty payment back to the Fund for products successfully developed using a grant award.

SECTION 3: Charitable Purpose of the Fund

The Fund shall be used only for charitable purposes as described in Sections 501(c)(3), 170(c)(1) and (2), 2055(a)(1) and(2), and 2522(a)(1) and (2) of the Internal Revenue Code of 1986. The Fund shall be administered according to MAGNET’s procedures, which procedures may change from time to time. MAGNET may charge regularly to the Fund a reasonable administrative fee, not to exceed five percent (5%) of the total Fund at any one time, and any direct expenses incurred on behalf of the Fund.

SECTION 4: Advisory Board

There will be an advisory board for the Fund consisting of two (2) members appointed by Donor and two (2) members appointed by MAGNET (the “Advisory Board”). Donor and MAGNET may replace or substitute its member appointments as each deems appropriate. The Advisory Board from time to time shall consult with MAGNET staff and make recommendations concerning the amounts, timing, and purposes of grants from the Fund.

In the event Donor chooses to forgo, or is incapable of, appointing members to the Advisory Board, MAGNET may (i) fill these positions or (ii) make grants from the Fund as if there were no provision for the Advisory Board. MAGNET may also make grants from the Fund as if there were no provision for the Advisory Board: (i) if and so long as the Advisory Board from time to time serving fails to

make recommendations in a timely manner under the distribution policies of MAGNET and (ii) while no Advisory Board is serving.

SECTION 5: Description of Property Contributed

Donor will contribute cash payments on a fiscal quarterly basis. The amount of each cash contribution will be calculated at one dollar (US \$1.00) per Siphon Flush™ unit sold. Each payment and any additions to it and all its increments, proceeds, investments, and reinvestments shall be included in the Fund.

Donor will have the option in any quarter to forgo a contribution and may end the contributions at any time; however, once a contribution is made by Donor to MAGNET that gift is irrevocable.

Checks should be payable to:

Manufacturing Advocacy & Growth Network Inc.
Attn: Jerry Gifford, Chief Financial Officer
Telephone: (216) 432-5307

Wire transfers should be made to:

Manufacturing Advocacy & Growth Network Inc.
Bank: Key Bank
ABA/Routing Number: 041001039
Account Number: 1807500727

SECTION 6: Investment Management

The property transferred shall be assets of MAGNET and administered, invested, and reinvested in accordance with its governing instruments and policies from time to time in effect. MAGNET may change, add, or dismiss investment options and investment managers from time to time; however, MAGNET will consider investment management recommendations received from Donor.

SECTION 7: Governance of Fund

The Fund is subject to the governing instruments of MAGNET, its variance power, and its policies in effect from time to time, including without limitation, policies about the maintenance and duration of a fund. Grants, expenditures, and fees shall be paid from the Fund in accordance with the spending and other policies and procedures of MAGNET in effect from time to time.

SECTION 8: Disclosures and Communications

MAGNET and Donor may provide the name of the Fund to recipients of grants attributable to the Fund and may publish the names of MAGNET, Donor and the Fund in connection with promoting the Fund or Fund grants in their Annual Reports.

MAGNET and Donor are authorized to use the name of MAGNET, Donor and the Fund in connection with promoting the Fund or Fund grants in publications of or concerning MAGNET or Donor, such as newsletters, articles, solicitation brochures, and other materials developed by or for MAGNET or Donor.

Donor authorizes the use of its trademark Siphon Flush™ in the Fund name as well as in MAGNET's Annual Report and other publications of or concerning MAGNET, such as newsletters, articles, solicitation brochures, and other materials developed by or for MAGNET.

SECTION 9: Contact Information

Correspondence to Donor should go to:

American Innovative Products, Inc.
3245 Main St. Suite 235-179
Frisco, TX 75034
Attn: Walter Berry
Phone: (214) 212-6537
Fax: (972) 731-9966
email: wgb3@att.net

Correspondence to MAGNET should go to:

Manufacturing Advocacy & Growth Network Inc.
1768 E. 25th St.
Cleveland, OH 44114-4420
Attn: Jerry Gifford
Phone: (216) 432-5307
Fax: (216) 361-2091
email: jerry.gifford@magnetnetwork.org

SECTION 10: Counterparts

This document may be executed in counterparts, any of which may be executed and delivered via facsimile or other electronic delivery, each of which shall be deemed an original, and all of which, taken together, shall constitute one and the same instrument

SECTION 11: Governing Law

This document will be governed, construed, and interpreted in all respects in accordance with the laws of the State of Ohio without regard to provisions regarding the conflict of laws.

SECTION 12: Signatures

The gift described is an irrevocable transfer by and is not refundable to Donor. Donor has been given the opportunity to consult with its own legal, tax, and/or business advisors regarding the gift and Donor's duties and obligations hereunder. Donor accepts the terms and conditions herein as well as all legal obligations with regard to Donor Advised Funds, as may be revised from time to time.

AMERICAN INNOVATIVE PRODUCTS, INC.

By: _____
Name: Walter Berry
Title: Chief Executive Officer

MANUFACTURING ADVOCACY & GROWTH NETWORK INC.

By: _____
Name: Jerry Gifford
Title: Chief Financial Officer

Accepted with thanks this ____ day of _____ 2009.